GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

HM&FW Department –Proposal for development of (10) new medical colleges at Adoni, Madanapalli, Markapuram, Pulivendula, Penugonda, Palakollu, Amalapuram, Narsipatnam, Bapatla and Parvathipuram under Public Private Partnership – Permission accorded- Orders Issued.

HEALTH, MEDICAL AND FAMILY WELFARE(H2) DEPARTMENT

G.O.RT.No. 590 Dated: 09-09-2025

Read the following:

1	G.O. Ms. No 113, 114, 115, 116 of HM&FW (C1) Department, dated: 12.09.2020.
2	G.O. Ms. No 33, HM&FW (C1) Department, dated: 22.03.2021.
3	G.O. Ms. No 48, HM&FW (C1) Department, dated: 27.04.2021.
4	G.O.Ms No 301, HM&FW (C1) Department, dated: 23.11.2022.
5	G.O.Rt.No.197, HM&FW (H2) Department, dated:11.04.2025.
6	Proposal from the MD, APMSIDC, A.P., Mangalagiri, Guntur District, vide file bearing Computer No.2865475.

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ORDER:-

Government had sanctioned 17 new medical colleges at an estimated cost of Rs.8480 crores vide G.Os.1st to 4th read above (Vizianagaram, Narsipatnam, Amalapuram, Rajahmundry, Palakollu, Eluru, Bapatla, Markapur, Madanapalli, Penukonda, Nandayal, Adoni, Machilipatnam, Piduguralla, Pulivendula, Paderu and Parvathipuram). Out of the above, the new medical colleges at Vizianagaram, Rajahmundry, Eluru, Machilipatnam and Nandyal got Letter of Permission (LoP) in 2023 and started from academic year 2023-24. One more new medical college at Paderu got LoP in 2024 and started from academic year 2024-25. Out of the above (17) new medical colleges, (3) colleges at Paderu, Machilipatnam and Piduguralla are sanctioned under CSS, (3) colleges at Rajahmundry, Eluru and Nandyal are tied up funding under SASCI and balance (11) new medical colleges are tied up under NABARD funding.

2. The Government has decided to continue the operation of the new medical colleges at Vizianagaram, Rajahmundry, Eluru, Machilipatnam, Nandyal and Paderu under the Government sector, while ten (10) new medical colleges at Narispatnam, Amalapuram, Palakollu, Bapatla, Markapur, Madanapalli, Penugonda, Adoni, Pulivendula and Parvathipuram will be developed under the Public-Private Partnership (PPP) mode. Further, the services of the consultant from the PPP Unit established in the Finance Department, i.e., KPMG, were engaged for the preparation of the Techno-Commercial Feasibility Study and transaction documents (RFP, DCA with Schedules). The consultant indicated that four medical colleges at Markapur, Madanapalli, Pulivendula, and Adoni can be bid out under an Annual Concession Fee model.

3. In the G.O. 5th read above, the Government has constituted a Committee to finalize the Request for Proposal (RFP) and Draft Concession Agreements (DCA) submitted by M/s KPMG Advisory Services Private Limited for PPP Medical Colleges.

4. In the proposal 6th read above, the Managing Director, APMSIDC has submitted that the Committee has examined the Draft Feasibility Report, Financial Model, Draft RFP, Draft Concession Agreement, and Draft Schedules submitted by KPMG (Transaction Advisor). The Committee has approved the same and requested the Managing Director, APMSIDC, to submit the proposals to the Government for approval to select a developer for the development of Medical Colleges and Hospitals at Pulivendula, Adoni, Madanapalli, and Markapur under PPP mode, duly submitting the Feasibility Reports, Financial Models, Draft RFP, and Draft Concession Agreements with Schedules.

(P.T.O)

5. The Managing Director, APMSIDC, has requested the Government to approve the Feasibility Reports, Financial Models, Draft RFP, and Draft Concession Agreements with Schedules for the development of Medical Colleges and Hospitals at Pulivendula, Adoni, Madanapalli, and Markapur under PPP mode in Phase-I, as recommended by the Committee.

6. After careful examination of the recommendations of the Committee on the subject matter, the Government hereby approves the development of ten (10) new medical colleges at Adoni, Madanapalli, Markapur, Pulivendula, Penukonda, Palakollu, Amalapuram, Narsipatnam, Bapatla, and Parvathipuram under the Public-Private Partnership (PPP) mode. Further, the Government approves the draft RFPs and Concession Agreements for the development of four (4) medical colleges at Adoni, Markapur, Madanapalli, and Pulivendula under PPP mode under Phase-I. The remaining six (6) medical colleges will be taken up immediately after finalisation of the Feasibility Reports, Draft RFPs, and Concession Agreements. The Tender Committee is permitted to make minor modifications to the RFPs based on pre-bid consultations.

7. The Managing Director, APMSIDC, A.P., Mangalagiri, Guntur District shall take necessary action in the matter, accordingly.

8. This order issues with the concurrence of the Finance (HM&FW) Department, vide their U.O.No. FIN01-FMU0PC(HMF1)/1406/2025-FMU-HMFW, Comp. No: 2883160, dated:18.08.2025.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M.T. KRISHNA BABU
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, APMSIDC, A.P., Mangalagiri, Guntur District
Copy to:
The Commissioner of Health& Family Welfare, A.P., Mangalagiri
The Managing Director, APMERC, A.P., Mangalagiri, Guntur District
The Director of Medical Education, A.P., Vijayawada
The PS to Principal Secretary to the Hon’ble Chief Minister
The OSD to the Hon’ble Minister (HFW&ME)
The P.S. to Spl.CS to Government, HM&FW Department
The Finance (FMU-HM&FW) Department
The General Administration (Cabinet) Department
SF/SC

//FORWARDED BY ORDER//

SECTION OFFICER